GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1419
ANSWERED ON:03.03.2006
CROP LOAN
Reddy Shri Karunakara G.

Will the Minister of FINANCE be pleased to state:

(a) whether financial institutions and banks are providing crop loan and other credit facilities to those poor farmers who do not have Pattadar Pass Book and are agriculture tenants;

(b) if so, the details thereof; and

(c) if not, the plans made by the Government: in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (c) : Yes, Sir, A model scheme for providing credit to tenant farmers and oral lessees` for raising crops by organizing them into Tenant Farmer Groups (TFGs) on the pattern of SHGs is being implemented. NABARD provides 100% refinance to co-operative banks and Regional Rural Banks(RRBs) eligible for short term seasonal agricultural operations credit limits at a rate of interest of 5.50% per annum for financing such groups. During the year 2005-06, NABARD has stipulated a minimum coverage of at least 2% of crop loan financing by RRBs and Co-operative Banks to tenant farmers and oral lessees.